

LEGISLATIVE FISCAL OFFICE

Approved by IEB

INTERIM EMERGENCY BOARD - FISCAL INFORMATION

Applicant's Name: LSU Laboratory School Amount: \$ 1,848,000

 X State Agency Local Political Subdivision

Summary of Request:

Was this request:

In agency budget request for current fiscal year? yes no X

Recommended in Executive Recommendations? yes no X

Amended into or out of the appropriation or capital outlay bills? yes no X

Was this item vetoed? yes no X

Considered by the Interim Emergency Board prior to this request? yes no X

Is this an "emergency" as defined by Act 334 of 1984? yes X no

History / Pertinent Information / Analysis relative to this request:

This request seeks funding to mitigate a drainage problem at the LSU Laboratory School. Erosion and subsidence has caused damage to wallboards, the first floor slab, doorframes, and outside brick walls of the two new school buildings and two parking lots. This subsidence and the canal itself have created a potential safety problem for the Lab School elementary building.

These problems are being caused by structural inadequacies with the Corporation Canal as it runs by the University Lab School. Two new buildings have been constructed on the Lab School property near the canal. At the time they were constructed, university architects determined that the buildings were not too close to the canal to be adversely affected. However, drought followed by heavy rains has accelerated the subsidence problems by creating subsurface voids. These voids, coupled with continuing erosion problems, are responsible for the structural damage to both the buildings and parking lots.

Consequently, architects at LSU, backed by the engineering studies performed by Tipton Associates and Billy R. Prochaska, P.E., have proposed replacing the drainage canal with culverts; connecting roof drains to subsurface drains; and surface grading and proper backfilling of the culvert area. The engineering report indicates that erosion and subsidence have caused the floor slab to crack in B2 (the second new building that was placed into service in August 2006). The slab cracks do not threaten the structural integrity of the building at this point because the building footings are over 20 feet deep and the soil problems seem to be localized at around 13 feet. However, the subsidence has damaged two parking lots, making them unsafe and necessitated ongoing expensive repairs. The fence line has been moved closer to the school at least three times and will have to be moved again unless some action is

taken. Emplacing culverts will solve the erosion problem and mitigate the subsidence problem according to school officials. The LFO does not have in-house expertise in either architecture or engineering and has to accept the veracity of the engineering reports submitted by the LSU System. Legislative Fiscal Office personnel have conducted a site visitation and extensively photographed the problems with the parking lots, the canal, grounds and inside the buildings themselves. The solutions proposed by the system appear to be appropriate to fix the problem.

The East Baton Rouge City Parish government has committed \$1 million of in-kind match services to the project. The match will consist of heavy equipment and labor to supplement the state's efforts. The City Parish is ultimately responsible for maintaining the banks of the canal but has been unable to do so because of the erosion problem. Once completed, the culverted canal will provide better drainage for that section of the campus and will create a green space that can be used for other purposes. The LFO has a letter from the East Baton Rouge Parish Public Works Director on behalf of Mayor-President Melvin "Kip" Holden committing to the in-kind services.

This is not a new problem. The canal has been eroding for many years. However, current climate conditions and new construction has made repairing the canal a priority for the school. School officials said that the severity of the problems became apparent after both the capital outlay and operating budget processes were completed for the past fiscal year.

RECOMMENDATION:

The Legislative Fiscal Office recommends approval of this IEB request.

THE INTERIM EMERGENCY BOARD APPROVED THIS REQUEST IN THE AMOUNT OF \$1,848,000 TO BE ADMINISTERED BY THE OFFICE OF FACILITY PLANNING AND CONTROL.

LEGISLATIVE FISCAL OFFICE

Approved by IEB

INTERIM EMERGENCY BOARD - FISCAL INFORMATION

Applicant's Name: Beauregard Parish Police Jury Amount \$373,998

 State Agency X Local Political Subdivision

Summary of Request:

The Beauregard Parish Police Jury (BPPJ) requests \$373,998 to repair the locking system at the Beauregard Parish Jail. A recent malfunction of the system caused inmates to be locked inside cells for over five hours and kept correctional officers from being able to enter cells to control prison population. According to the BPPJ, the State Fire Marshal has required the cells to remain unlocked or the prison closed. In order to avoid closure, the BPPJ has authorized the hiring of three additional security guards per shift to ensure that prisoners do not escape (three inmates actually did escape from the jail on October 16).

Was this request:

In agency budget request for current fiscal year?	yes <u> </u> no <u> X </u>
Recommended in Executive Recommendations?	yes <u> </u> no <u> X </u>
Amended into or out of the appropriation or capital outlay bills?	yes <u> </u> no <u> X </u>
Was this item vetoed?	yes <u> </u> no <u> X </u>
Considered by the Interim Emergency Board prior to this request?	yes <u> </u> no <u> X </u>
Is this an "emergency" as defined by Act 334 of 1984?	yes <u> X </u> no <u> </u>

History / Pertinent Information / Analysis relative to this request:

The Beauregard Parish Jail is approximately twenty years old. The company that developed the locking system is no longer in business and the BPPJ notes that the system cannot be repaired any longer. According to the BPPJ, the locking system has experienced multiple problems in previous years and were repaired. Excessive moisture created by Hurricane Rita (water intrusion from leaky roof) may have caused further damage to this system. This request includes the following:

- 1) \$278,698 to remove the 50 existing Southern Cell Door Devices and replace them with 50 new R&S 2000 Series Devices including 50 slides and new grating doors with food passes as well as central control system to control the locking mechanism.
- 2) \$79,200 for additional security of the three correctional officers per shift throughout the 10 weeks of replacement. The rate of security is \$11/hour for \$792 per day times 100 days. The time period includes the time required to order, manufacture, remove the current system and install the new system.
- 3) \$16,100 for mandatory displacement of the 20-25 female inmates during the final four weeks of the ten week period of replacement. Other inmates will be shifted into areas currently occupied

by these female inmates. The rate per inmate is \$22.39/day for four weeks. (This facility currently has approximately 150 inmates, of whom 18 are state inmates.)

Analysis of the Beauregard Parish Police Jury general fund budget indicates that funding of this expense, along with other major problems in that facility that must be addressed, would likely present a serious cash flow problem in FY 2007.

RECOMMENDATION:

The Legislative Fiscal Office recommends approval of this IEB request in the amount of \$373,571. This recommendation reduces the request for displacement of inmates to the amount actually paid by the state for housing its inmates at local facilities (\$22.39/day rather than \$23/day which is the amount requested by the BPPJ).

THE INTERIM EMERGENCY BOARD APPROVED THIS REQUEST IN THE AMOUNT OF \$373,571 TO BE ADMINISTERED BY THE OFFICE OF FACILITY PLANNING AND CONTROL.

LEGISLATIVE FISCAL OFFICE

Approved by IEB

INTERIM EMERGENCY BOARD - FISCAL INFORMATION

Applicant's Name: Department of Civil Service, Division of Administrative Law Amount: \$22,500

 X State Agency Local Political Subdivision

Summary of Request:

The Division of Administrative Law is requesting \$22,500 to hire a law firm to represent it in a lawsuit filed against it by the Department of Insurance.

Was this request:

In agency budget request for current fiscal year?	yes <u> </u> no <u> X </u>
Recommended in Executive Recommendations?	yes <u> </u> no <u> X </u>
Amended into or out of the appropriation or capital outlay bills?	yes <u> </u> no <u> X </u>
Was this item vetoed?	yes <u> </u> no <u> X </u>
Considered by the Interim Emergency Board prior to this request?	yes <u> </u> no <u> X </u>
Is this an "emergency" as defined by Act 334 of 1984?	yes <u> X </u> no <u> </u>

History / Pertinent Information / Analysis relative to this request:

The Division of Administrative Law (DAL) requests \$22,500 for professional services to retain the law firm of Web and Sutterfield to represent it in the federal lawsuit James J. Donelon, Commissioner of Insurance (DOI) vs. the Division of Administrative Law through its director, Ann Wise. The federal lawsuit was filed November 15, 2006 in the United States District Court for the Middle District of Louisiana. The Department of Insurance seeks a declaratory judgment that the administrative hearings requirements of the DAL act are unconstitutional as applied to the Commissioner and the DOI. The DOI previously tried and failed to have the DAL act declared unconstitutional in state court. The Louisiana Supreme Court ruled unanimously in Wooley vs. State Farm, et al. that the DAL act is constitutional under state law and that the legislature has authority to designate DAL to handle DOI's adjudications. This lawsuit attempts to reverse the Louisiana Supreme Court in federal court. The law firm of Web and Sutterfield previously represented the DAL in its state court challenges. The \$22,500 requested is the amount the law firm said it would charge the DAL to represent it throughout the federal trial period. If the case is appealed, additional funding may be needed.

DAL's existing operating budget is \$62,000 less than fiscal year 2004-05 actual expenditures. The current budget includes no expenditures for professional services. The agency is requesting IEB funding because it anticipates the trial to start before the end of the current fiscal year.

RECOMMENDATION:

This request is one in which the agency did not anticipate and did not request funding for in its fiscal year 2006-07 budget request. Additionally, the agency is not able to absorb the expenditures in this

request without negatively impacting its current performance expectations. The Legislative Fiscal Office recommends approval.

THE INTERIM EMERGENCY BOARD APPROVED THIS REQUEST IN THE AMOUNT OF \$22,500.

LEGISLATIVE FISCAL OFFICE

Approved by IEB

INTERIM EMERGENCY BOARD - FISCAL INFORMATION

Applicant's Name: Gov.'s Office of Homeland Defense & Emergency Prep. Amount: \$459,575

 X State Agency Local Political Subdivision

Summary of Request:

The Governor's Office of Homeland Defense and Emergency Preparedness (GOHSEP) requests \$459,575 as the state share of costs associated with flooding and tornado damage in October 2006. This damage occurred within the parishes of Beauregard, Calcasieu, Caldwell, Catahoula, Franklin, Grant, LaSalle, Madison, Morehouse, Ouachita, Richland, Tensas, Vernon, Rapides, Sabine, Winn, and parts of Jefferson. A State of Emergency was originally declared by Governor Blanco on October 17, 2006, and a major disaster declaration was issued by President Bush on November 2, 2006, which authorized funds for federal disaster assistance and administrative expenses. All of these costs are related to FEMA approved applications as of December 15, 2006. Additional applications are still being processed and GOHSEP will request state match funding at a later date for these remaining costs. GOHSEP does not currently have an estimate for the potential remaining state obligation.

Was this request:

In agency budget request for current fiscal year?	yes <u> </u> no <u> X </u>
Recommended in Executive Recommendations?	yes <u> </u> no <u> X </u>
Amended into or out of the appropriation or capital outlay bills?	yes <u> </u> no <u> X </u>
Was this item vetoed?	yes <u> </u> no <u> X </u>
Considered by the Interim Emergency Board prior to this request?	yes <u> </u> no <u> X </u>
Is this an "emergency" as defined by Act 334 of 1984?	yes <u> X </u> no <u> </u>

History / Pertinent Information / Analysis relative to this request:

This request includes funding for the following:

Joint Field Office Operations (JFO) Expenses - \$3,974

This amount is the 25% state share of costs for office supplies (\$2,526.17), communications expenses (\$1,149.04), and meals (\$298.69). Communications expenses include costs for conference calls to various parish emergency operations centers (EOC) across this region. Meals are for allowable expenses for GOHSEP employees who are located at the JFO and are working on this particular disaster. The cost of each meals must be within allowable state travel regulations (PPM 49).

Public Assistance funds - \$310,764

This amount is the 25% state share of costs for the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain private non-profit organizations.

Other Needs Assistance - \$144,837

This amount is the 25% state share of costs for financial assistance grants awarded to eligible people who incur necessary expenses or who have serious needs as a result of a disaster. These grants are not intended to repay individuals or families for all disaster losses or to allow purchase of items or services that are nonessential, luxury, or decorative.

RECOMMENDATION:

The Legislative Fiscal Office recommends approval of this request.

THE INTERIM EMERGENCY BOARD APPROVED THIS REQUEST IN THE AMOUNT OF \$459,575..

LEGISLATIVE FISCAL OFFICE

Approved by IEB

INTERIM EMERGENCY BOARD - FISCAL INFORMATION

Applicant's Name: Delgado Community College

Amount: \$2,827,5000

 X State Agency

 Local Political Subdivision

Summary of Request:

Delgado's HVAC physical plant has been in need of repair for many years because most of the system is between 25 to 30 years old. For at least the last four years, the Board of Regents (BOR) has approved elements of this request and placed them in the top 10 projects on the BOR emergency capital outlay request that has not been funded by the Division of Administration. This IEB requests funding for the replacement and repair of the system.

Was this request:

In agency budget request for current fiscal year?	yes <u> </u> no <u> X </u>
Recommended in Executive Recommendations?	yes <u> </u> no <u> X </u>
Amended into or out of the appropriation or capital outlay bills?	yes <u> </u> no <u> X </u>
Was this item vetoed?	yes <u> </u> no <u> X </u>
Considered by the Interim Emergency Board prior to this request?	yes <u> </u> no <u> X </u>
Is this an "emergency" as defined by Act 334 of 1984?	yes <u> X </u> no <u> </u>

History / Pertinent Information / Analysis relative to this request:

Delgado's requests

Delgado Community College is requesting funding for physical plant repairs in this IEB request. According to college officials, new chillers, a cooling tower, associated piping and pumps are needed because the HVAC system in place is almost 30 years old, hurricane damaged, and is constantly under repair. These repairs are both expensive and disruptive to college operations.

Below is a breakdown of the items and their projected costs:

Removal and replacement of the existing cooling tower,	\$360,000
Removal and replacement of chiller one and two,	\$1,421,000
Removal and replacement of associated controls, condenser and chiller, piping, valves and pumps and replacing them above the floodline,	\$655,000
Removal and replacement of existing louver panels in the north and west walls of the power plant building,	\$42,000
Computer control software	\$7,500
Temporary chiller rental	\$85,000
Professional fees and permits	\$257,000
Total	\$2,827,500

History

The Division of Administration has consistently declined to recommend funding for this project in the prior years. The Office of Facility Planning and Control (FP&C) notes that the request would have been approved but hurricane damage to the campus and area made these repairs unfeasible at the time because the time at which the school was projected to return to operation was unknown. FP&C did not provide information explaining why the request was denied by the DOA in previous years. Other BOR projects, ranked less important by the board, were approved and funded over the same time period. Since 1997, Delgado has spent over \$251,000 in repairs to the system.

Current Situation

The LFO visited and extensively photographed the site on January 8, 2007. Upon inspection, the existing equipment appeared old and in various states of disrepair. The cooling tower was significantly damaged and piping from the cooling tower to the chillers was leaking copious amounts of water while the system was in operation which reduced the efficiency of the units. The cooling tower also appeared to be suffering from wind damage. Inside the physical plant building, one of the existing chillers had been disassembled and extensive evidence of water inundation was visible. Delgado officials doubted that the disassembled chiller could be brought back online, leaving the school with one aging chiller with diminishing capacity. Some of this damage was obviously hurricane-related, but most of it appeared to result from the age of and wear and tear on the system.

After Hurricane Katrina, most of the Delgado campus flooded and the Federal Emergency Management Agency (FEMA) provided \$1.2 million to fix piping that had been damaged by floodwaters. There is a dispute between the college and Facility Planning and Control as to whether or not FEMA can or will provide additional funding to fix the HVAC system. Delgado officials contend that FEMA will only provide funding to bring the damaged system to its pre-hurricane status, which in this case, was a 30-year-old system in need of major repairs. Facility Planning and Control officials maintain that FEMA will pay for "hazard mitigation", which includes a portion of Delgado's requested repairs to raise the control equipment above the floodline. The LFO does not know if FEMA will pay for anything or if they do, in a reasonable time frame.

RECOMMENDATION:

The LFO recommends approval of this IEB in the reduced amount of \$800,000. This amount will fund the purchase and installation of one 600-ton chiller. Facility Planning and Control has analyzed the technical aspects of this request and decided to recommend replacing one chiller and putting the rest of the repairs on the capital outlay request list again. Facility Planning and Control said this is just a temporary repair until this project can be considered in the regular capital outlay process and would give the college an opportunity to pursue FEMA funding for a portion of this project. If the entire project is not funded in some fashion in the near future, the system can be expected to require more repairs.

THE INTERIM EMERGENCY BOARD APPROVED THIS REQUEST IN THE AMOUNT OF \$800,000 TO FACILITY PLANNING AND CONTROL.

LEGISLATIVE FISCAL OFFICE

Approved by IEB

INTERIM EMERGENCY BOARD - FISCAL INFORMATION

Applicant's Name: Louisiana State University Amount: \$1,400,000

X State Agency Local Political Subdivision

Summary of Request:

The existing 18-inch sewer force main located on Skip Bertman Drive under the railroad tracks ruptured on October 27, 2006 causing raw sewerage to collect on the ground and weaken the railroad rail bed immediately above the sewerage line. Since the problem was deemed a health hazard, the repair work was bid out and has been completed on this project using existing funds from student and university accounts. Consequently LSU is seeking reimbursement to replenish these accounts from the IEB through this instrument.

Was this request:

In agency budget request for current fiscal year? yes no _X_

Recommended in Executive Recommendations? yes no _X_

Amended into or out of the appropriation or capital outlay bills? yes no _X_

Was this item vetoed? yes no _X_

Considered by the Interim Emergency Board prior to this request? yes no _X_

Is this an "emergency" as defined by Act 334 of 1984? yes _X_ no

History / Pertinent Information / Analysis relative to this request:

The original estimate of expenses were allocated as follows:

Parking lot repairs	\$4,500
Concrete drive repairs	\$25,000
Railroad permits/monitoring	\$50,000
Railroad stabilization	\$160,000
Debris removal	\$7,500
Dewatering sanitary lines	\$220,000
& Disposal	
Telecom repairs	\$15,000
Demolition, site preparation	\$768,000
and materials	
Planning and design	\$25,000
Contingency	\$125,000
Total	\$1,400,000

Funds for repairs of this magnitude are not budgeted in the university's ordinary operating budget. If

this IEB request is not approved, LSU will have to seek funds through a supplemental appropriation or raise fees on student activities and services in the next fiscal year to recover repair costs. The university collects many different kinds of revenues which are deposited into a general operations account and some of the balance of these funds have been used to cover these costs. At this point in time, no services or activities have been affected by borrowing this money.

Arrighi and Simoneaux were awarded the bid for construction and the majority of the repairs were completed on November 12, 2006. As of December 7, 2006, a total of \$1,005,525 has been spent. The remainder of the work consists of continuing efforts to stabilize the rail bed per railroad guidelines. University officials anticipate finishing the remaining work will cost \$308,998 for a total of \$1,314,523. Originally, LSU officials projected the repairs to cost \$1.4 million, but now anticipate the project can be completed for less money.

The LFO visited the site once while it was under construction and once after repairs had been completed and has photographed the site.

RECOMMENDATION:

The LFO recommends approval of this Interim Emergency Board request.

THE INTERIM EMERGENCY BOARD APPROVED THIS REQUEST IN THE AMOUNT OF \$1,400,000.